



**CALIFORNIA STATE
PUBLIC WORKS BOARD**

EDMUND G. BROWN JR. • GOVERNOR

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**AGENDA WITH ANALYSIS
STATE PUBLIC WORKS BOARD**

**Friday, May 11, 2018 at 3:00 p.m. in
Room 113, State Capitol, Sacramento, California**

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Pursuant to section 11125 of the Government Code, notice of all Board meetings will be given at least ten days in advance and such notice must include a copy of the agenda. Members of the Public may address the Board prior to it taking action on any matter in the agenda.

This notice and the Board agenda for the current month are available on the Internet at: <http://www.spwb.ca.gov>.

Individuals who need disability-related accommodation, including auxiliary aids for effective participation at this public meeting are invited to make their requests and preferences known to Marie Magdaleno at (916) 445-9694 or e-mail to marie.magdaleno@dof.ca.gov, five days prior to the meeting.

BOND ITEMS

BOND ITEM—1

DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
PASO ROBLES FOREST FIRE STATION: REPLACE FACILITY
SAN LUIS OBISPO COUNTY

Authority: Chapter 171, Statutes of 2007, Item 3540-301-0660 (5), as reappropriated by the Budget Acts of 2008, 2009, 2010, 2011, 2013, and 2016

Consider adoption of a resolution to:

- 1) Authorize actions to be taken to provide for interim financing and declare the official intent of the Board to reimburse certain capital expenditures from the Public Buildings Construction Fund from the proceeds of the sale of bonds.
- 2) Authorize the sale of lease revenue bonds.
- 3) Approve the form of and authorize the execution and delivery of a Project Delivery Agreement between the Department of Forestry and Fire Protection and the Board.
- 4) Approve and take actions and execute documents as may be needed to carry out the purposes of this resolution.

Total Appropriation

\$7,057,000

BOND ITEMS

STAFF ANALYSIS ITEM—1

Department of Forestry and Fire Protection
Paso Robles Forest Fire Station: Replace Facility
San Luis Obispo County

ITEM PULLED

BOND ITEMS

BOND ITEM—2

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
JAIL PROJECT
YOLO COUNTY

Authority: Sections 15820.91 – 15820.917 of the Government Code

Consider adopting a resolution to:

- a) Authorize actions to be taken to provide for interim financing and declare the official intent of the Board to reimburse certain capital expenditures from the Public Buildings Construction Fund from the proceeds of the sale of bonds.
- b) Authorize the sale of lease revenue bonds.
- c) Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.

Total Bond Allocation

\$36,295,000

BOND ITEMS

STAFF ANALYSIS ITEM—2

Department of Corrections and Rehabilitation
Jail Project
Yolo County

Action Requested

If approved, the requested action would adopt a resolution authorizing actions to be taken to provide for interim financing, authorize the sale of lease revenue bonds, and other related actions.

Scope Description

This project is within scope. This project includes the design and construction phases of renovations to and an expansion of the existing county jail located in the city of Woodland on approximately 9.8 acres on a greater 37.2 acres of county-owned land. The expansion will create approximately 43,800 square feet of additional new housing, treatment, program, and support space, providing approximately 32 new medium-security beds, and renovate approximately 20,900 square feet of the existing building.

The expansion will provide new housing, program, and day reporting space. The new housing unit will include approximately 16 double-occupancy cells; a dayroom; a recreation yard; and program, support, and storage space. The expansion will also include program rooms; a lobby; a video visitation area; and office, administration, and interview space for in-custody and day reporting staff and programming.

This project includes converting an existing medical clinic into a custody administration area; an interview room; an attorney visiting room; and office, staff services, and program space. The existing intake/booking area will be renovated and expanded to convert it provide a more functional vehicle sally port; safety and holding cells; holding areas; and administrative, staff services, and storage space. The existing kitchen and laundry area will be renovated and expanded into a medical/mental health clinic with approximately 21 beds, exam rooms, offices, a dental area, a nurse's station, a lab, and medical records and inmate waiting space. The visitation space in the existing housing units will be converted into video visitation space. This project includes bid alternates to upgrade the existing boilers and selected HVAC package units. Approximately 83 parking spaces for staff and visitors will also be provided as part of this project. This project will also construct a new, approximately 9,400 square foot building located adjacent to the existing facility which will include a kitchen, laundry space, and a culinary classroom.

During the development of working drawings, the county decided to remove three previously identified bid alternates. These alternates were to add an air handler replacement for Housing Units A and B, a new site security electronics system, and remove a staff parking lot from the project. Additionally, the county decided to include three bid alternates to add food services equipment, covered walkway, and laundry equipment. The county has confirmed these are the only bid alternates for this project.

Recently, the Board of State and Community Corrections (BSCC) sent a letter to Yolo County to inquire how the county intended to comply with the in-person visitation requirements of Penal Code Section 4032. The county responded that it intends to add space for in-person visitation through the change order process. Because the county previously received approval to proceed to bid, has received responsive bids, and is ready to award the contract based on the existing scope, Department of Finance staff intend to approve the award of the construction contract with the understanding a future scope change will be submitted to the Board to be recognized before the county begins negotiating the change order for the in-person visitation addition.

Funding and Project Cost Verification

This project is not within cost. Section 15820.913 of the Government Code (AB 900, Phase 2) appropriates \$870,074,000 lease revenue bond financing authority to partially finance the design and construction of local jail facilities. Award of this funding to individual counties is administered through the Board of State and Community Corrections (BSCC). The BSCC has conditionally awarded \$36,295,000 from this appropriation to Yolo County for this project. All of the acquisition/study and any design and construction costs in addition to this amount will be paid by the county.

On July 14, 2014, the Board established the scope, cost, and schedule of this project, allocating \$36,295,000 to partially finance the design and construction of this project. On July 13, 2015, the Board approved the preliminary plans for a total estimated project cost of \$41,654,000. In addition, this action included an anticipated deficit in the amount of \$227,000. Subsequent to that action, a new project cost estimate was prepared in association with the completion of working drawings. Based on this revised estimate, the current total estimated project cost is \$44,763,000, which includes a total anticipated potential deficit in the amount of \$3,109,000.

\$ 41,654,000 Total authorized project cost

\$ 44,763,000 Total estimated project cost

\$ 36,295,000 State costs previously allocated: \$335,000 for working drawings and
\$35,960,000 for construction (\$30,429,000 contract, \$3,042,000 contingency,
\$29,000 A&E, \$1,625,000 other project costs, and \$835,000 agency retained)

State costs adjustment: a decrease of \$335,000 for working drawings and an increase of \$335,000 for construction (an increase of \$4,066,000 contract, and a decrease of \$1,242,000 contingency, \$29,000 A&E, \$1,625,000 other project costs, and \$835,000 agency retained)

\$ 5,359,000 Local costs previously allocated: \$1,462,000 for acquisition/study, \$1,347,000 for preliminary plans, \$1,198,000 for working drawings, \$1,352,000 for construction (\$5,000 contract, \$24,000 contingency, \$686,000 A&E and \$637,000 other project costs)

\$ 3,109,000 Local costs potential deficit: an increase of \$558,000 for preliminary plans, a decrease of \$57,000 for working drawings, and an increase of \$2,608,000 for construction (a decrease of \$5,000 contract, and an increase of \$591,000 contingency, \$14,000 A&E, \$1,005,000 other project costs, and \$1,003,000 agency retained)

CEQA

A Notice of Determination was filed with the Yolo County Clerk on December 22, 2008, and the 30-day statute of limitations expired without challenge. Staff are working with the county and outside counsel to determine whether updated CEQA notification is warranted.

Real Estate Due Diligence

A Summary of Conditions Letter for this project was completed on November 14, 2014, and no issues that would adversely affect the beneficial use and quiet enjoyment of the project were identified. Subsequent to the letter, the county issued certificates of participation to fund its portion of the project costs. The county is working with outside counsel to confirm the project site is not encumbered by the certificates of participation.

Project Schedule

Approve preliminary plans	July 2015
Complete working drawings	December 2017
Start construction	July 2018
Complete construction	June 2020

Staff Recommendation: Adopt resolution.

MINUTES

Consider approving the minutes from the April 13, 2018 meeting.

Staff have reviewed the minutes from the April 13, 2018 meeting and recommend approval of those meeting minutes.

Staff Recommendation: Approve minutes from the April 13, 2018 meeting.

CONSENT ITEM

CONSENT ITEM—1

**CALIFORNIA HIGHWAY PATROL (2720)
EL CENTRO AREA OFFICE REPLACEMENT
2802 S. 4th STREET
IMPERIAL COUNTY
DGS Parcel Number 10869**

*Authority: Chapter 318, Statutes of 2016, Item 2720-301-0044(2)
Chapters 14, 22, and 54, Statutes of 2017, Item 2720-301-0044(2)
Section 15853 of the Government Code*

Consider:

- a) **Authorizing acquisition**
- b) **Authorizing execution of a Property Acquisition Agreement and other such documents as may be required to approve the acquisition**

CONSENT ITEM

STAFF ANALYSIS ITEM—1

California Highway Patrol
El Centro Area Office Replacement
2802 S. 4th Street Site
Imperial County

Action Requested

If approved, the requested action would authorize acquisition and execution of a Property Acquisition Agreement and other such documents as may be required to approve the acquisition.

Scope Description

This project is within scope. This request will authorize acquisition of an approximately 7.2 acre site for construction of a California Highway Patrol (CHP) replacement area office. The site is located in the southeast corner of a larger 20-acre parcel located at the intersection of State Highway 86 (aka S. 4th Street) and W. Danenberg Drive in the city of El Centro, Imperial County. The site is 0.7 acre larger than indicated in the COBCP in order to accommodate a retention pond.

Funding and Cost Verification

This project is within cost. Item 2720-301-0044(2) of the Budget Act of 2016, as amended by Chapter 318, Statutes of 2016, provides \$2,855,000 Motor Vehicle Account (MVA) for the acquisition phase and \$1,477,000 for the performance criteria phase of the project. In addition, the 2018 Budget proposes to revert 2017 Budget Act authority and provide \$40,388,000 Public Building Construction Fund for the design-build phase.

CEQA

A Notice of Exemption was filed with the State Clearinghouse on January 5, 2017 and the 35-day statute of limitations expired on February 9, 2017, without comment.

Project Schedule

The anticipated close of escrow is July 2018.

Condition of Property Statement

On January 18, 2018, the Department of General Services (DGS) visited the property located at 2802 S. 4th Street in the City of El Centro, Imperial County, California. The property was used for agriculture in the past but is currently fallow and unimproved apart from a former welding shop immediately adjacent to the northeast corner and a residential/agricultural holding in the southeast corner. The site is located south of downtown El Centro, in the partially developed block bounded by Wake Avenue and Interstate 8 to the north, West Horne Road to the south, South 4th Street (California State Route 86) to the east, and South Clark Road to the west. The greater parcel is bounded by a large vacant lot to the north, by residential properties to the south, by South 4th Street and commercial properties to the east, and by 6th Street and residential properties to the west.

Based on the results of the Phase I Environmental Site Assessment (summarized below), the site appears to be compatible with CHPs proposed use of the property as a field office.

Environmental Site Assessment (ESA) Summary

A Phase I Environmental Site Assessment (ESA) was completed in September 2016 and reviewed by DGS-ES staff.

From 1937 through 1974, the site was used exclusively for agriculture, as was most of the surrounding area. At some time between 1953 and 1974 a corrugated metal welding shop and possibly metal working shop was built adjacent to the northeast corner of the site, fronting onto South 4th Street. The structure is currently being used for storage.

In addition to the Phase I ESA, a limited Phase II ESA was performed for possible impacts attributable to volatile organic compounds from welding, as well as organochlorine pesticides or arsenic resulting from prior agricultural use. No concerns were identified.

There are several potential environmental features or conditions that do not meet the definition of a recognized environmental concern, but which may warrant mention in a comprehensive Phase I ESA. These include a residential septic system, abandoned vehicles and sitewide litter and debris.

It is not expected that these features would preclude the use of the site for a replacement CHP office.

Other:

- The Board approved site selection for this property on February 10, 2017.
- The purchase price does not exceed the estimated fair market value of the property as determined by a DGS approved appraisal.
- The site meets the requirements of the CHP.
- There are no historic issues or implied dedication involved with this project.
- No relocation assistance is required.
- Prior to the close of escrow, the owner will be required to move unaffixed material and equipment and all litter and debris.

- DGS is not aware of any pending lawsuits concerning the property. The Property Acquisition Agreement will require delivery of title to the property free and clear of any mortgages or liens.
- The proposed acquisition is consistent with the state's planning priorities in accordance with Government Code Section 65041 et seq., as the site supports efficient development patterns near existing developed areas with adequate transportation and other essential utilities and services.

Staff Recommendation: **Authorize acquisition and execution of a Property Acquisition Agreement and other such documents as may be required to approve the acquisition.**

CONSENT ITEM

CONSENT ITEM—2

CALIFORNIA HIGHWAY PATROL (2720)
QUINCY REPLACEMENT FACILITY
2037 LEE ROAD SITE
PLUMAS COUNTY
DGS Parcel No. 10832

*Authority: Chapters 14, 22, and 54, Statutes of 2017, Item 2720-301-0044 (6)
Section 15853 of the Government Code*

Consider:

- a) Authorizing an above market value acquisition
- b) Authorizing execution of a Property Acquisition Agreement and other such documents as may be required to approve the acquisition

CONSENT ITEM

STAFF ANALYSIS ITEM—2

California Highway Patrol
Quincy Replacement Facility
2037 Lee Road Site
Plumas County

Action requested

If approved, the request would authorize an above market value acquisition and the execution of a Property Acquisition Agreement and other such documents as may be required to approve the acquisition.

Scope Description

This project is within scope. This request will authorize the California Highway Patrol (CHP) to purchase approximately 5.0 acres of land located at 2037 Lee Road in the City of Quincy, Plumas County, California (the Property) for the construction of a replacement CHP area office.

Funding and Cost Verification

This project is within cost. The Budget Act of 2017 provides \$2,140,000 Motor Vehicle Account for the acquisition and performance criteria phases. The 2018 Budget proposes \$36,908,000 Public Building Construction Fund for the design-build phase.

While within budgeted authority, the Property is being acquired at a cost of \$250,000, which is \$194,000 greater than the appraised value of \$56,000. Staff recommends proceeding with this above market value sale for the following reasons:

1. Acquiring land for this office has been challenging. Over the past four years, the Department of General Services (DGS) has explored a number of alternative sites. Of the three that meet CHP site criteria, two had easements and soil conditions that precluded use for a CHP area office and the state was outbid on a third property. Should this sale not be completed, it is anticipated that this project would be delayed by at least a year. At 5 percent escalation, a one-year delay would increase construction costs by approximately

\$1,845,000. Further, CHP would have to use for an additional year an undersized 52-year old facility.

2. The owners learned of CHP's challenges in finding a site and offered to carve out to the state a share of their overall 241-acre parcel.
3. The valuation was based on the 241-acre larger parcel, with a subsequent calculation of the carve out Property, which reduced primary frontage to the remainder of the owner's property.
4. The property is zoned agricultural preserve and is not incorporated into the East Quincy Services District. The asking price is based on the sale of a nearby site that the state previously attempted to acquire and is the minimum price the owner is willing to accept.

CEQA

A Notice of Exemption for acquisition was filed with the State Clearinghouse on July 17, 2017, and the 35-day statute of limitations expired without challenge.

Project Schedule

The anticipated close of escrow is July 2018.

Condition of Property Statement

In August 2016, DGS visited the property located at 2037 Lee Road in the City of Quincy, Plumas County, California. The approximately 5-acre parcel is vacant, relatively flat, and bounded on the south by Lee Road, a vet clinic and residential development, and on the east by potentially historic-era barn(s) and residential, on the north by open fields, and on the west by Sierra Pacific Industries lumber yard and rural residential development. The site is currently used as a horse pasture. According to Federal Emergency Management Agency (FEMA) mapping, the site is zoned 500-year flood area and is not within the 100-year flood zone. The California Natural Diversity Database shows potential special status plant species in the general vicinity; however, none are mapped on the property.

Phase I ESA

A Phase I ESA was completed in May 2017 and reviewed by DGS-Environmental Services Unit (ESU) staff. There was no evidence of a past or present land use that may have generated or caused the release of a regulated or hazardous material, which would be identified as a recognized environmental condition (REC). No further studies were recommended.

Other:

- The Board approved site selection for this property on January 13, 2017.
- The Property can be acquired with the funds available and in accordance with legislative intent.
- The proposed site meets the physical and location requirements of CHP. The proposed site is vacant and unimproved. However, the larger parcel is improved with a perimeter fence.
- The site will either require annexation into the East Quincy Services District (EQSD) for access to sewer and water or will need on-site well and septic. DGS has initiated talks with the EQSD and the Local Agency Formation Commission (LAFCO) and is prepared to initiate the process. The project budget assumes annexation. Well and Septic is anticipated to cost an additional \$1.9 million
- The Property is currently encumbered with a pasture grazing lease by an unrecorded Memorandum of Agreement in favor of Reid Horse & Cattle Company, Incorporated, dated December 1, 2004. A termination of lease, as well as a new pasture grazing lease excluding the Property will be recorded with the state's grant deed in escrow.
- There are no historic issues and no implied dedication associated with this property.
- There is no relocation assistance involved with this project.
- Neither DGS nor CHP are aware of any lawsuits pending concerning the property. The Property Acquisition Agreement will require delivery of title to the property free and clear of any mortgages or liens.

- The proposed acquisition is consistent with the State's planning priorities in accordance with Section 65041 et. seq., of the Government Code.

Staff Recommendation: **Authorize an above market value acquisition and execution of a Property Acquisition Agreement and other such documents as may be required to approve the acquisition.**

CONSENT ITEM

CONSENT ITEM—3

DEPARTMENT OF MOTOR VEHICLES (2740)
DELANO FIELD OFFICE REPLACEMENT
DOVER PARKWAY
KERN COUNTY
DGS Parcel Number 10853

*Authority: Chapters 10 and 11, Statutes of 2015, Item 2740-301-0044(1)
Chapter 23, Statutes of 2016, Item 2740-301-0044(1)
Section 15853 of the Government Code*

Consider:

- a) Authorizing an above market value acquisition
- b) Authorizing execution of a Property Acquisition Agreement and other such documents as may be required to approve the acquisition
- c) Approving an augmentation \$207,000
(8.3 percent total authorized)
(8.3 percent cumulative)

CONSENT ITEM

STAFF ANALYSIS ITEM—3

Department of Motor Vehicles
Delano Replacement Field Office
Dover Parkway
Kern County

Action requested

If approved, the request would authorize an above market value acquisition and the execution of a Property Acquisition Agreement and other such documents as may be required to approve the acquisition, and approve an augmentation.

Scope Description

This project is within scope. This request will authorize the Department of Motor Vehicles (DMV) to purchase approximately 3 acres of land located on Dover Parkway, north of Woollomes Avenue, adjacent to Highway 99, in the City of Delano, County Of Kern, (the Property), for the construction of a replacement DMV field office.

Funding and Cost Verification

This project is not within cost. The Budget Act of 2015 provides \$1,022,000 Motor Vehicle Account for acquisition and Budget Act of 2016 provides \$1,483,000 Motor Vehicle Account for design. Future costs for construction are estimated at \$10,088,000.

Currently, acquisition phase costs total \$1,229,000, which is \$207,000 greater than the appropriation. As a total of \$2,505,000 has been appropriated for the project to date, the need represents a requested augmentation of 8.3 percent. This augmentation is due to the property is

being acquired at a cost of \$848,000, which is \$457,000 greater than the appraised value of \$391,000. Had the property sold at market value, there would be savings to the phase.

While above market value, staff recommends proceeding with this sale for the following reasons:

1. Acquiring land for this office has been challenging. The owner of a different site pulled out of a sale in 2017, causing the project to be delayed by a year. Should this sale not be completed, it is anticipated the project would be delayed by another year. At 5 percent escalation, a one-year delay would increase construction costs by \$504,000. Further, the community would have to use for an additional year an undersized 61-year old facility.
2. Planned development of the larger parcel includes an internal road to the site, thereby providing secondary access. The value of this road is approximately \$167,000.
3. The property is in an urban core area, surrounded by planned mixed use development, with easy access by the community.
4. The developer recently completed infrastructure and offsite improvement adjacent to the site, thereby allowing the Delano project to avoid costs of up to \$1.9 million.
5. An unrecorded sales transaction near the property was at \$1.00/square foot greater than the price of the subject site.

\$2,505,000	Total authorized project costs
\$2,712,000	Total estimated project costs
\$1,070,000	Project costs previously allocated: \$390,000 acquisition, and \$680,000 preliminary plans
\$11,523,000	Project costs to be allocated: \$632,000 acquisition, \$8,000 preliminary plans, \$795,000 working drawings, and \$10,088,000 construction
\$207,000	Requested augmentation: \$207,000 acquisition

CEQA

A Notice of Exemption was filed with the State Clearinghouse on November 16, 2017, and the 35-day statute of limitations expired without challenge.

Project Schedule

The anticipated close of escrow is July 2018.

Condition of Property

The Department of General Services (DGS) staff conducted a site visit for the subject property May 2017. The Property consists of approximately 3 acres located within a larger, approximately 27-acre property located one mile south of downtown Delano, bordered by Dover Parkway on the west, California State Route 99 on the east, Woollomes Avenue on the south and Diaz Street on the north. The subject property was historically used for commercial agricultural.

The Property is a vacant site relatively flat, with partial fencing. The portion of Dover Parkway adjacent to the Property is in the process of being widened to accommodate the new existing and future residential and commercial development. Power, water and sewer infrastructure is located in Dover Parkway. The site is in a 500-year flood area.

Environmental Site Assessments (ESA) Summary

Phase I and Limited Phase II Environmental Site Assessment

A Phase I and Limited Phase II Environmental Site Assessment Report (ESA) was conducted October 2017. The Report findings determined that the investigation did not identify any Recognized Environmental Conditions at the site. The limited Phase II investigation concluded no concern for future site use, arsenic concentrations appear to be within background levels, and there is no indication of volatile organic compounds impacting the subsurface or ground water.

DGS did not observe any additional environmental concerns.

Other:

- The Board approved site selection for this property on August 2, 2017.
- The Property is currently encumbered by oil, gas, and other hydrocarbon substances, minerals, and incidental rights, with the right to drill and mine, including surface rights, as reserved in a Grant Deed by Occidental Life Insurance Company of California, recorded February 18, 1944, in Book 1178, Page 171, Official Records of Kern County. The successor/vestee, California Resources Petroleum Corporation, a Delaware Corporation, has agreed to provide a quitclaim severing all rights, title and interest to a depth of 500' as identified in the Grant Deed. The deed will record simultaneously in escrow with the State's grant deed to the Property.
- The mineral interest in and to the Property has three blanket liens in the form of deeds of trust. A "Substitution of Trustee and Partial Release of Lien and Reconveyance" releasing all right, title and interest, including surface rights and access, has been fully executed by the beneficiary and will record simultaneously in escrow with the State's grant deed to the Property.
- The site meets the requirements of DMV.
- There are no historic issues and no implied dedication associated with the property.
- No relocation assistance is required.
- Neither DGS, nor DMV is aware of any lawsuits pending concerning the properties. The Property Acquisition Agreement requires delivery of title to the property free and clear of any mortgages or liens.
- The proposed project location is consistent with the state's planning priorities in accordance with Government Code Section 65041 et seq.

Staff Recommendation: **Authorize an above market value acquisition and execution of a Property Acquisition Agreement and other such documents as may be required to approve the acquisition, and approve an augmentation.**

ACTION ITEM

ACTION ITEM—1

**HIGH SPEED RAIL AUTHORITY (2665)
INITIAL OPERATING SEGMENT, SECTION 1
KINGS COUNTY**

*Authority: Chapter 152, Statutes of 2012, Item 2665-306-0890 (1)
Chapter 152, Statutes of 2012, Item 2665-306-6043 (1)
Chapter 25, Statutes of 2014, Item 2665-306-3228 (1)
Section 39719(b)(2) of the Health and Safety Code
Section 39719.1 of the Health and Safety Code
Section 15854 of the Government Code*

Consider the adoption of two Resolutions of Necessity authorizing the use of eminent domain to acquire the following properties:

- 1. Cal-Clark Farms Property (Kings County)**
Authority Parcel Number: FB-16-0392-1
Assessor Parcel Numbers: 014-230-087 and 014-230-088
- 2. Church Property (Kings County)**
Authority Parcel Number: FB-16-0476-1
Assessor Parcel Number: 028-202-038

ACTION ITEM

STAFF ANALYSIS ITEM—1

High Speed Rail Authority
Initial Operating Segment, Section 1
Kings County

Action Requested

Adopt a Resolution of Necessity authorizing the use of eminent domain to acquire property two totaling approximately 0.04 acre.

Scope Description

This project is within scope. The Initial Operating Segment, Section 1 (IOS-1) is expected to be approximately 120 miles starting from Madera and extending southward almost to Bakersfield. This initial section includes the realignment of Highway 99 in Fresno and relocation of railroad lines, the construction of bridges over the San Joaquin and Fresno Rivers as well as other waterways, several dozen grade separations, multiple viaducts and trenches, and the acquisition of approximately 1,600 parcels. The IOS-1 is the first construction phase of the High Speed Train System (HSTS). The HSTS consists of Phase 1, which would provide 520 miles of the HSTS extending from San Francisco to Los Angeles/Anaheim, and Phase 2, which would extend the system to Sacramento and San Diego.

Funding and Cost Verification

This project is within cost. Chapter 152, Statutes of 2012, appropriated \$5.850 billion (\$2.609 billion High Speed Passenger Train Fund and \$3.241 billion federal funds) and Chapter 25, Statutes of 2014 provided an additional \$191.4 million Greenhouse Gas Reduction Fund for the IOS-1. In addition, Health and Safety Code section 39719 (b)(2) appropriates 25 percent of the annual proceeds of the Greenhouse Gas Reduction Fund for the Phase 1 Blended System and Health and Safety Code section 39719.1 authorizes repayment of a \$400 million General Fund loan from the Greenhouse Gas Reduction Fund for the Phase 1 Blended System. The IOS-1 is a component of the Phase 1 Blended System.

Background

In order to adopt a Resolution of Necessity that is required to initiate the eminent domain proceedings, the Board must consider that the following conditions have been met:

- (A) The public interest and necessity require the project;
- (B) The project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;
- (C) The property sought to be acquired is necessary for the project; and,
- (D) The offer required by Government Code section 7267.2 has been made to the owner or owners of record.

In 2008 the voters of California approved Proposition 1a, authorizing monies from the High-Speed Passenger Train Bond fund in support of this Project. In 2009 and 2010 the federal government approved funds in support of the portion of this Project extending from San Francisco to Anaheim, and in 2012 and 2014, through Chapter 152, Statutes of 2012 and Chapter 25, Statutes of 2014, the Legislature appropriated funds for the acquisition and design-build phases of the IOS-1 of the Project, extending from Madera to just north of Bakersfield.

The Property Acquisition Law, commencing with section 15850 of the Government Code, authorizes the Board to select and acquire in the name of the State of California (State) with the consent of the State agency concerned, the fee or any lesser right or interest in any real property

necessary for any State purpose or function. This law also authorizes the Board to acquire property by condemnation, in the manner provided for in Title 7 (commencing at section 1230.010) of Part 3 of the Code of Civil Procedure.

This property is within the right of way for IOS-1 and was site selected at a previous Board meeting. The site selection took place after an environmental review process where it was determined that any alternative alignment would include the selected parcel, or where a preferred alignment had already been approved by both the High Speed Rail Authority Board and the Federal Railroad Administration. Acquisition of this property will allow the High Speed Rail Authority to move forward with construction of the HSTS.

On February 15, 2018, the owner was provided with a first written offer to purchase the subject property, as required by Government Code section 7267.2. Negotiations to acquire the property are continuing; however, in order to keep the project on schedule, the adoption of a Resolution of Necessity to authorize the use of eminent domain is required.

On April 20, 2018, a Notice of Intent to adopt a Resolution of Necessity was mailed to the respective property owner. This notice was sent in accordance with Code of Civil Procedure section 1245.235.

Property Specific Information:

1. Cal-Clark Farms Property (Kings County)
Authority Parcel Number: FB-16-0392-1
Assessor Parcel Numbers: 014-230-087 and 014-230-088

Property Pulled

2. Church Property (Kings County)
Authority Parcel Number: FB-16-0476-1
Assessor Parcel Number: 028-202-038
Partial Acquisition: Approximately 0.04 acre in fee

This property will be needed for the construction of the HSTS at Kansas Avenue.

Staff Recommendation: **Adopt a Resolution of Necessity authorizing the use of eminent domain to acquire property two totaling approximately 0.04 acre.**

ACTION ITEM

ACTION ITEM—2

**HIGH SPEED RAIL AUTHORITY (2665)
INITIAL OPERATING SEGMENT, SECTION 1
FRESNO COUNTY**

Assessor's Parcel Number: 467-050-24U

Authority's Parcel Numbers: FB-10-0173-3 and FB-10-0173-4

Authority: Chapter 152, Statutes of 2012, Item 2665-306-0890 (1)
Chapter 152, Statutes of 2012, Item 2665-306-6043 (1)
Chapter 25, Statutes 2014, Item 2665-306-3228 (1)
Section 39719(b)(2) of the Health and Safety Code
Section 39719.1 of the Health and Safety Code
Section 15853 of the Government Code

Consider:

- a) **Authorizing acquisition of an easement**
- b) **Authorizing execution of an Easement Deed with Union Pacific Railroad Company, and any necessary certificates or other documents related thereto**

ACTION ITEM

STAFF ANALYSIS ITEM—2

High Speed Rail Authority
Initial Operating Segment, Section 1
Fresno County

Action Requested

Consider authorizing the acquisition of an easement, and the execution of an Easement Deed with Union Pacific Railroad Company and any necessary certificates or other documents related thereto.

On November 6, 2012, the SPWB adopted a resolution to delegate acquisition approval for High Speed Rail System acquisitions that conform to Board-approved standard contract with non-substantive changes. Due to the complexity of the agreements between the Union Pacific Railroad Company and the High Speed Rail Authority (Authority), the Easement Deed falls outside of the delegation and requires Board approval.

This action will approve the acquisition of an easement over a portion of Union Pacific Railroad Company property near Ventura Street in Fresno, California. The acquisition is related to the construction of a new public road underpass structure by the Authority. The acquisition price for the easement is \$124,012.76, which is approximately 1.6 times the appraised value. The Authority states that further delay risks incurring costs associated with delays in delivering the property to the Authority's contractor which are estimated to be \$20,000 per day. Given these risks, staff recommends authorizing acquisition of the easement and authorizing execution of the Easement Deed.

Staff Recommendation: Authorize the acquisition of an easement, and authorize the execution of an Easement Deed with Union Pacific Railroad Company and any necessary certificates or other documents related thereto.

ACTION ITEM

ACTION ITEM—3

DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
BOARD OF STATE AND COMMUNITY CORRECTIONS (5227)
COUNTY CORRECTIONAL FACILITIES PROJECTS
STATEWIDE

Authority: Section 15770.2 of the Government Code
Sections 15820.90 – 15820.907 of the Government Code
Sections 15820.91 – 15820.917 of the Government Code
Sections 15820.92 – 15820.926 of the Government Code
Sections 15820.93 – 15820.936 of the Government Code
Sections 15820.94 – 15820.948 of the Government Code
Sections 1970 – 1978 of the Welfare and Institutions Code

Consider adopting a resolution to approve the forms of various agreements as outlined in the resolution, and upon the satisfaction of specified conditions, delegate the authority to execute or consent to the execution of said agreements, as applicable.

ACTION ITEM

STAFF ANALYSIS ITEM—3

Department of Corrections and Rehabilitation
Board of State and Community Corrections
County Correctional Facilities Projects
Statewide

Action Requested

If approved, the requested action will adopt a resolution to approve the forms of various agreements as outlined in the resolution and upon the satisfaction of specified conditions delegate the authority to execute or consent to the execution of said agreements, as applicable.

Background

The Board is currently authorized, and may be given additional authorization in the future, to issue lease revenue bonds for the development of various types of correctional facilities (each a “Project” and, collectively, the “Projects”) to be operated and maintained by selected counties within the state (each a “Participating County” and, collectively the “Participating Counties”). Award of this funding to individual Participating Counties is administered by the Board of State and Community Corrections (BSCC) through a competitive public process.

Pursuant to the authorizing statutes, the Department of Corrections and Rehabilitation (CDCR) or the BSCC, a Participating County, and the Board must enter into a construction agreement for each approved Project that provides, at a minimum, the performance expectations of the parties related to the acquisition, design, construction, or renovation of the Project; guidelines and criteria for the use and application of the proceeds of revenue bonds issued by the Board; and the ongoing maintenance and staffing responsibilities for the term of the financing (the “Project Delivery and

Construction Agreement”, or the “PDCA”). There is a form PDCA used for design-bid-build project delivery and another form for design-build project delivery.

In order to facilitate the Board’s financing of each approved Project the Participating County, as lessor, must lease the property on which the related Project is located (the “Site”) to either CDCR or the BSCC, as lessee (the “Ground Lease”). The Board is not a party to the Ground Lease, but must consent to the Ground Lease.

The location of the Project may also require the Participating County to grant an easement contemporaneously with the associated Ground Lease for the purposes of ingress and egress to and from the Site and the Project (the “Facility”); installation, maintenance, and replacement of utilities; and other purposes and uses necessary or desirable for the repair, operation, and maintenance of the Facility (the “Easement Agreement for Grants of Access, Utilities and Repairs”, or the “Easement Agreement”). The Board is not a party to the Easement Agreement, but must consent to the Easement Agreement.

In addition, upon execution of a Ground Lease it is necessary for the CDCR or BSCC, as licensor, to enter into a Right of Entry for Construction and Operation with each Participating County, as licensee, (the “Right of Entry”) to provide the Participating County access to the Site for purpose of construction-related activities for the Project and for operation of the Project upon substantial completion of construction. The Board is not a party to the Right of Entry, but must consent to the Right of Entry.

The proposed resolution would replace a prior resolution approved by the Board on December 13, 2013 to facilitate the timely delivery of the Projects, in lieu of bringing each of the above named agreements for the Projects to the Board. The proposed resolution would approve updated forms of the aforementioned agreements and delegate to the Executive Director and any of the Deputy Directors the authority to execute or consent to the agreements for each Project, or future legislatively authorized projects, with changes as required or approved by the Executive Director or Deputy Director, subject to specified conditions.

Staff Recommendation: Adopt Resolution.

OTHER BUSINESS

NONE

REPORTABLES

TO BE PRESENTED AT MEETING